

Item Number & Document Section	Applicants' Reason for Dispute	Applicants' Acceptable Solution or Cost	Respondent's Comments	Respondent's Solution or Cost	Applicants' Reply	Tribunal's Notes
101-107	"No Legal Liability"					
101 Demand for 23-24 Service Charge in September 2023	<p>1. September 2023 Service Charge Demands were nearly 4 times those of the previous year. These included payments for 2023-24 and a requirement to pay by 2023-11-01. Leases clearly state that our Service Charges are to be in arrears. Premier stated in On-Line General Meeting on 2023-11-02 that budget service charges were purely optional and promised to write to all leaseholders to make this clear: this did not happen.</p> <p>2. Premier also mishandled the 2023-24 Service Charge demands in November 2024. Issued demands on 2024-11-06 morning without any explanatory information. Issued different demands later the same day. For many Leaseholders the payments required are not clear nor are they correctly documented.</p>	<p>1. Premier need to write to all Leaseholders and apologise for the confusion caused in November 2024 and operate in line with the Estate leases.</p> <p>2. Premier also need to make clear how the 2023-24 Service Charges are calculated for each dwelling.</p>	<p>1. Save the payment of £50 in advance for Dene Court Leases (clause 3(1) of the Sixth Schedule), it is accepted that the payment of service charges is in arrears.</p> <p>2. On 06/11/2023 the Statement of Account was sent prior to the Service Charge bill in error, effectively chasing monies prior to them being demanded.</p> <p>3. Premier did not promise to write to the leaseholders advising the advance payment of charges in 2023/24 were optional as this had already been explained in their letter of 29/09/2023.</p>	<p>1. This is not agreed: apologies were sent to tenants who complained. It was already made clear to tenants in the letters of 29/09/2023 and 26/07/2024 that the payment of Service Charges in advance was optional.</p> <p>2. The Schedules attached to the Statement of Case at WEL1 and WEL2 detail the calculation of the Service Charges for both 2022/23 and 2023/24 Service Charge years. The chart exhibited at WEL1 shows the apportionment of costs between the various property types and individual dwellings.</p>	<p>1. Service Charge Demands in 2023 were not served in line with the Leases. The Sept 2023 the 'demand' states:- <i>"If you do not agree to pay your service charge in advance, then please find your invoice attached, which is due in full on the invoice date."</i> There was no method given to pay less than the demand for 22-23 AND 23-24, but only one year was due.</p> <p>2. As the service charge 'demands' were not served in line with the Leases they were technically invalid and unenforceable. Accordingly we request the FTT to quash the 2023 'demands'.</p>	
102	(not used)					
103 Service Charge Information Missing / Unexplained	<p>1. It is not possible to see how our Service Charges had been calculated from the information supplied for the 2022-23 and the 2023-24 information supplied.</p> <p>2. RICS Code of Practice states:- "All costs should be transparent so that all parties, owners, leaseholders and managing agents are aware of how the costs are made up." On 2024-10-26 the Respondents stated "The Respondent does not intend to send a full explanation as to the application, calculation and apportionment of Service Charges to each of the tenants of the Estate when the accounts are dispatched. It is the Respondent's position that the provision of such detailed information does not form part of usual estate management procedure."</p> <p>3. Even in the latest set of information supplied by Premier, there is no clear explanation of the mathematical formulae used for the calculations, nor explanation of the apportionment of many of the costs across the various blocks of the Estate. Some Leaseholders have not had the correct set of information required with the demands or been sent incomplete demands.</p>	<p>1. Premier to supply clear explanations of the calculations for all our 2023-24 service charges, including the refunding of the management fees (see Item 107). ②</p> <p>2. Any administration charges, interest charges or any other penalties levied on the Applicants because of payment of Service Charges after the demanded date due to any matters being dealt with by the FTT in accordance with this FTT Application, shall be disallowed.</p>	<p>1. Schedules showing the calculation of the Service Charge are annexed to the Respondent's Statement of Case ("RSoC") at WEL2 (2022/23) and WEL3 (2023/24). The apportionment of the Service Charge between the various property types and individual dwellings is annexed at WEL1 of the RSoC.</p>	<p>1. This information has already been provided at WEL1-WEL3 of the RSoC.</p> <p>2. It is agreed that upon payment of the Service Charge accounts in full by the tenants, the late payment charges shall be waived.</p> <p>3. As to the error in apportionment of the management fees for the 2022/23 year, see section 107 below.</p>	<p>1. It is agreed that the information has now been supplied. However, it is galling to compare the reality of delays and missing information with the Premier Customer Service Charter which includes: - "We will be courteous, professional, honest and trustworthy in everything that we do." - "We will provide all services efficiently and in accordance with relevant legislation and industry codes of best practice."</p> <p>2. The Management Fee Adjustments provided in July 2024 have now been changed (31/1/2025 documents). There are now four different versions of management fees for 22-23. None are explained. See 107.</p> <p>3. Ensure that all service charge demands and their information are transparent and clear about how the costs are made up. (They are not currently.)</p>	
104	(not used)					
105	(not used)					

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106 Expenditure Invoices Not Supplied When Requested	<p>1. In October 2023 and by May 2024 Leaseholders requested to see copies of all the expenditure invoices that contributed to our Service Charges.</p> <p>More or less complete sets of Expenditure Invoices were not received until 2024-09-05.</p> <p>These sets of invoices supplied contained errors and invoices with wrong dates and other mistakes and did not total to the expenditure totals supplied in the Accounts.</p> <p>2. New and different sets of 2022-23 and 2023-24 expenditure invoices arrived on 2024-12-03, together with spreadsheets showing the totalling and allocations of costs.</p> <p>There were expenditure invoices missing that would have been expected (in addition to the management charges and emergency helpline):-</p> <p>2022-23: 6 missing invoices, total £5760 or 5.9% of total expenditure</p> <p>2023-24: 19 missing invoices, total £10182 or 7.3% of total expenditure</p> <p>It is not reasonable to charge the Leaseholders for something for which there is no documentary evidence.</p>	<p>1. If no contemporaneous documentary evidence of expenditure (normally an invoice) for a particular Service Charge cost item can be produced, that cost item is to be deleted from the Service Charges: this would include the £5760 from 2022-23 and the £10281 from 2023-24.</p>	<p>1. The invoices listed in App 21 relating to the 2022/23 accounts have been provided or the accrual released in the 2023/24 accounts.</p> <p>2. As to the invoices listed in App 21 relating to the 2023/24 accounts: the invoices have either been provided or have not yet been received by the Respondent. The accruals would be released in the 2024/25 accounts and will balance off any invoices received the following year.</p>	No solution required.	<p>1. Premier's accounting management has been woefully unsatisfactory being littered with errors, including:-</p> <ul style="list-style-type: none"> - errors in service charge billing / no-communication, - errors in apportionment (see 107), - errors in allocation of costs, - errors in submission of service charge accounts, - lack of explanation of calculations. <p>2. Where invoices (for alleged expenditure) are not available and/or the work has not been paid for by the Agent before the date of service charge demand, all such charges shall be removed from the service charges.</p>	
107 Refund Not Given Despite Being Owed	<p>1. Premier acknowledged on 28/3/2024 (see Appendix 26) a significant miscalculation of 2022-23 management fees for the whole Estate. The Premier letter stated "In the instance of management fees of the 2022-23 management fees, ... for Schedule A which should have been £4,232+VAT, however I can see that £18,385+VAT has been incorrectly applied to Schedule A, instead of being apportioned across the schedules."</p> <p>2. Management Fee "adjustments" were tabulated in the FTT documents of 26/7/2024 (Appendix 8).</p> <p>3. Many Leaseholders are owed over £100 but no mention of this has been made in the 2023-24 Service Charge information.</p>	<p>1. Premier to supply clear explanations of how the management fee adjustments have been calculated.</p> <p>2. Refund urgently those leaseholders who have paid too much.</p>	<p>1. It was considered that given the extent of the Applicants' application, it would be clearer to the Applicants if all credits/amendments to the accounts were dealt with simultaneously rather than having multiple versions of accounts being sent to them.</p>	<p>1. An explanation of the apportionment of the management fees has already been provided in WEL1 of the RSOC.</p> <p>2. The amendment of the apportionment of the maintenance fee due is to be dealt with following the decision of the Tribunal.</p>	<p>1. There are now 4 different management fees for all the dwellings: the original (Sept 2023), the Adjusted ones (July 2024), those supplied with the Accounts on 6/11/2024 and the most recent (supplied on 31/1/2025).</p> <p>2. In none of the four versions are the calculations / apportionments explained.</p> <p>3. The most recent version has management fees as high as 42.7% of Block expenditure: unreasonable.</p> <p>4. Refund those overcharged.</p>	
108 No Legal Liability for Extra Charges	1. Our leases (see Appendices 4, 5 & 6) make no provision for: bank charges, accounts preparation fees, emergency-out-of-hours, health & safety, fire alarm testing as expenditure recoverable through our service charges.	1. Remove all such charges from the relevant Service Charges.	These items are permitted under the relevant leases as acts and things for the proper management administration and maintenance of the block/estate.	No solution required.	<p>1. This is not agreed - the Applicants will rely on Sella House Ltd v Mears [1989] 1 EGLR 65 and successive authorities.'</p> <p>2. Costs of above to be deleted from Service Charges.</p>	

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201-209	"Not Reasonably Incurred"					
201 Leaving Roofs Leaking so causing unnecessary damage	1. Of the 8 managed apartment blocks on the Estate, 6 have had leaking roofs in the period 2022-24. Internal damage due to unrepaired leaking roofs has been experienced by at least 5 of the 8 managed blocks. (See also Item 305.) 2. The internal damage shows that the repairs were not done using the principle of "Stitch In Time": if they had been, there would have been no internal repairs needed.	1. Delete these costs from the Service Charges:- - internal repair work costs to flat 47 Wyncote Court: delete £395.19 - insurance excess of 47 Wyncote Court: delete £500. - insurance excess of 21 Wyncote Court: delete £500.	1. The costs of £395.19 are reasonable management costs incurred by Phil Taylor. 2 & 3. These are the insurance excesses incurred. The value of the claim exceeded £500 in both instances. There is no evidence that the works could have been undertaken for less than £500.	No solution required	1. The Respondent's comments do not deal with the principle point:- If the roof leaks had been dealt with in a timely manner, there would have been no need for any of the insurance claims and costs because the ceilings would not have fallen down. 2. The costs (£1395) were, therefore, not reasonably incurred" and should be deleted from the Service Charges.	
202 Charges for Work Not Done	1. Instances where charges are made but no work was done:- - Failed callout to replace drain cover - previously completed - Failed callout to investigate gate repair.	1. Delete these costs (£156) from the Service Charges.	1. It is agreed the drain cover was repaired prior to TMG attending the site. Premier Estates did not instruct another contractor to undertake the work. It is assumed a resident has replaced the cover, or another contractor not instructed by Premier. 2. It is accepted that there was a miscommunication between Premier and the contractor, TMG.	A re-imbursement of the costs of £78.00 in respect of the invoice ref 11574 at App 35 for the gate repair is agreed.	£78 agreed.	
203 Charges for Unnecessary Work	1. Approx. 300m ² (quote says 252m ²) of footpaths was coated with "tar & chip" at a cost of £6035. 2. The coating was, according to the Estate Manager, done to solve trip hazards. In the areas coated there were no trip hazards (over 1"), but other areas of the Estate with trip hazards (over 1") were not coated.	1. Delete this cost from the Service Charges (£6035).	See section 303 below.	See section 303 below.	(303 is about work "not of reasonable standard": this section (203) is about costs that are "not reasonably incurred"). 1. The tar & chip coating of 5 of the 6 areas of footpath did not solve any trip hazards. Only 61m ² of the 309m ² coated was at all useful: the rest (80.3%) x £6035 = £4844 was "not reasonably incurred".	

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204 No Competitive Tendering Evident	<p>1. The RICS Service Charge Code "[requires] minimum of 2... competitive [quotes]"... "1 not be connected with landlord"..."selection ... by competitive tender"..."selection criteria should have regard to economy, quality, value for money..."</p> <p>2. Much poor / defective work done by contractors with previous links to Premier and located in northwest England shows lack of competitive tendering.</p> <p>3. The rise in Total Estate Expenditure since Premier took over (see Apps 27, 1 & 13):-</p> <p>2021-22: £72470 (Kingston)</p> <p>2022-23: £101505 (Premier since 10/8/2022)</p> <p>2023-24: £137421 (Premier)</p> <p>This is a 90.0% increase in two years.</p> <p>4. There is no evidence of competitive tendering in the appointment of Premier as Estate Managers by Wallace (The Respondents). The previous estate managers provided a much more cost effective service: see also Sections 206, 207 & 208).</p>	<p>1. Demonstrate how competitive tendering was used effectively to ensure value for money and quality of service in the procurement of all significant goods and services and in the selection by Wallace of the current Estate Managers.</p> <p>2. If all of the above (1.) cannot be demonstrated (i.e. it cannot be demonstrated that competitive tendering was used effectively), assume that (typically) effective competitive tendering would have reduced costs to the costs of the previous estate managers plus inflation. Accordingly reduce the Service Charge demands as below:-</p> <ul style="list-style-type: none"> - estate expenditure 2021-22: £72470, - for 2022-23 with RPI inflation at 11.4%: £80732, (not the £101505 Service Charge total demanded) - for 2023-24 with RPI inflation at 3.3%: £83396, (not the £137421 Service Charge total demanded) 	<p>1. Competitive tendering was not required by the Respondent in connection with the appointment of Premier as the managing agent. Premier is on the Respondent's approved list of managing agents and manages approximately 56 of its estates.</p> <p>2. Evidence of competitive tendering has been supplied at WEL9 and WEL11. Premier has a list of approved contractors which it instructs in connection with smaller works. It is not cost-effective to request multiple quotes for smaller items.</p>	<p>No solution is required. It is considered that multiple quotes for expenses were obtained when appropriate. The requirements to trigger competitive tendering were not met in the appointment of Premier as managing agents.</p>	<p>1. The selection of Premier by Wallace significantly affected the Service Charges, increasing them by 40% in 22-23 and 90% in 23-24 over the previous Estate Managers. RICS Code, 10.2 states: "You should... have some process for market testing and ensuring value for money.": this has not been demonstrated, therefore, these increases are "not reasonably incurred" and the costs to the Leaseholders reduced to 2021-22 levels plus inflation.</p> <p>2. With the occasional exception of Dene Court roofing tenders (outside the time period for this FTT Application), etc., for the vast majority of Estate expenditure, no "process for ensuring value for money" has been demonstrated.</p> <p>Acceptable costs are (from col D):-</p> <ul style="list-style-type: none"> - for 2022-23: £80732 - for 2023-24 : £83396 <p>3. Delete costs greater than these from the service charges and they were not reasonably incurred.</p>	

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205 Use of Non-Local Contractors Pushing Up Costs	<p>1. A very high proportion of the contractors sent by Premier have travelled well over 100 miles to work on Jesmond Park Estate, but none had capabilities or knowledge unavailable in Tyneside.</p> <p>From App 44 & App 45, the average driving time for repair & maintenance work is 2 hours 36 minutes in 2022-23 and 3 hours 57 minutes in 2023-24.</p> <p>No commercial company can ignore these costs and time wasted travelling to work: inevitably this leads to higher costs being passed on to Leaseholders.</p> <p>A means of estimating these real but undocumented costs was developed using standard commercial costing: see Statement of Case for details. The costs are estimated by the conservative (discounted first 30 minutes & 20 miles each way) models to be:-</p> <ul style="list-style-type: none"> - for 2022-23 (locally based Kingston staff used until August 2022) <ul style="list-style-type: none"> total expenditure on physical work: £54247 calculated staff travelling time: £4317 (8.0%) calculated vehicle costs: £5260 (9.7%) total travelling costs: £9577 - for 2023-24 (Premier responsible for whole year) <ul style="list-style-type: none"> total expenditure on physical work: £93068 calculated staff travelling time: £8666 (9.3%) calculated vehicle costs: £11112 (11.9%) total travelling costs: £19778 	<p>1. Delete at least the following from the Service Charges:-</p> <ul style="list-style-type: none"> - for 2022-23: £9577 - for 2023-24: £19778 	<p>1. Travelling costs have not been billed (paragraph 3, s205 ASoC).</p> <p>2. It is irrelevant where the contractor is based. The issue is whether the price charged for the relevant works is reasonable. It is the Respondent's view that the charges levied by the contractors were reasonable.</p>	<p>No solution required.</p>	<p>1. Whilst we agree that travelling costs are not explicitly billed, the cost of travelling 100s of miles to and from work can only be ultimately paid by the Leaseholders through the service charges.</p> <p>2. The location of the base for the contractors is relevant if it leads to significantly increased costs. The Respondent has not demonstrated that the contractor's charges are reasonable: this is likely to be impossible if travelling for over 2 hours before and another 2 hours after work.</p> <p>3. The Respondents have not given any alternative model for the travelling costs. The model used gave travelling costs of:-</p> <ul style="list-style-type: none"> - for 22-23: £9577 - for 23-24: £19778 <p>These costs should be deleted from the Service Charges as there are "not reasonably incurred".</p>	
206 Garden Work Too Expensive	<p>1. The gardening (landscape maintenance) costs have risen significantly without a corresponding increase in the quality:-</p> <ul style="list-style-type: none"> - 2021-22: £7099 (Kingston) - 2022-23: £12161 - 2023-24: £15024 <p>2. Garden maintenance at £7099/year was quite satisfactory. Charges over those of 2021-22 (plus inflation) are not reasonably incurred.</p>	<p>1. Reduce the Service Charges for the gardening to £7099 plus RPI Inflation for the years concerned (RPI 11.4%, 3.3%):-</p> <ul style="list-style-type: none"> - for 2022-23: £7099 * 1.114 = £7908 (not £12161 listed in Service Charge Accounts) - for 2023-24 £7099 * 1.114 * 1.033 = £8169 (not £15024 listed in Service Charge Accounts) 	<p>1. The costs of the garden maintenance are kept under constant review.</p> <p>2. An increased amount of works were required to maintain the gardens to a reasonable standard appropriate to the age and maturity of the existing garden after Premier took over management of the Estate which in turn increased costs.</p>	<p>No solution is required. The costs of the contractor were reasonably incurred and were of a reasonable amount. In any event, the garden maintenance has been retendered and new contractors appointed at a cost of £1,162 a month.</p>	<p>1. Mill Gardens were selected without competitive tendering and without a specification for the work to be done.</p> <p>2. The costs rose from £7k per year to £12k per year but still the gardening was not carried out in line with the lease.</p> <p>3. The price for the newly tendered garden maintenance appears higher (£1162/month) than Mill Gardens at £1080/month inc. VAT. Can this be correct?</p> <p>4. No reason has been demonstrated why the costs of the previous gardeners at £7099/year (plus inflation) needed to increase.</p> <p>Costs above this are "not reasonably incurred."</p>	

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207 Management Fees Not Justified / Excessive	<p>1. The management costs have risen greatly since Premier took over estate management:- - 2021-22: £10098 (Kingston for full year) - 2022-23: £18385 (Kingston until 10/8/2022, then Premier) - 2023-24: £22080 (Premier for full year)</p> <p>RPI Inflation was only 11.4% and 3.3% for the two years concerned.</p> <p>2. In 2022-23, the management fees were:- (from Appendix 19, rows 416 & 424) - until 10/8/2022 (Kingston): £2575/quarter - from 10/8/2022 (Premier): £1840/month (=£5520/quarter). This is a 114% increase within a year.</p> <p>3. Estate Management has been poor with serious errors in charging & documentation and lack of supervision/control of contractors. The distance from Premier's Macclesfield HQ does not help: it is 174 miles by road.</p> <p>4. The Property Institute (TPI) Service Charge Index 2024 (Appendix 47) shows the UK property management industry typical expenditure proportions. Management and related fees are (in 2023 and 2024) 6% of total service charge expenditure (not 19.0% or 16.8% that Premier are attempting to charge Jesmond Park Estate Leaseholders).</p>	<p>1. Reduce the management (and related) fees to 6% of total expenditure as follows:-</p> <p>- for 2022-23: £82214 is 94% of expenditure, so 6% management = $£82214 \times (6\%/94\%) = £5248$ (not £18385 listed in Service Charge Accounts)</p> <p>- for 2023-24: £114330 is 94% of expenditure, so 6% management = $£114330 \times (6\%/94\%) = £7298$ (not £22080 listed in Service Charge Accounts)</p>	<p>1, 2 & 4. The responsibilities of Premier are set out in the contract annexed at WEL10. The responsibilities have become more involved since Kingston managed the estate due to changes such as the Fire Safety (England) Regulations 2022 which need to be complied with. The TPI estimates do not take into account the specific needs/characteristics of the Estate. The leases do not specify the management fee should be a percentage of the overall service charge.</p> <p>3. A member of staff from Premier visits the Estate on a monthly basis, meet with contractors and generally liaises with them.</p> <p>3. It is denied that the standard of documentation provided is below reasonable. The allegation is too wide to answer and the generalisation put forward cannot be properly addressed.</p>	<p>No solution is required.</p>	<p>1. WEL10 shows a contract starting on 1/12/2024 and applying only to the flats of Jesmond Park Court and Dene Court. Not only is the contract date not in the period being considered by this FTT Application, but there is no mention of the management of the flats in Wyncote Court or the 36 houses on the Estate. Is this just a mistake?</p> <p>2. There are several indicators that the management fees are excessive:-</p> <ul style="list-style-type: none"> - The TPI UK survey indicates typical management fees proportions are approx. 1/3 of those for the Estate. - Kingston charged less than 1/2 the fees of Premier for the same management. - From the many administrative errors and management control mistakes it is clear we are not getting a premier service. <p>3. No demonstration of a justification for these management fee proportions of spend has been produced.</p> <p>These management fees are "not reasonably incurred" and should be reduced to half or one third the current proportions.</p>	

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208 Buildings' Insurance Charges	<p>1. The buildings' insurance is placed with Albanwise Insurance Services of Borehamwood, Herts who share directors with Wallace Estates. Buildings insurance is a significant expenditure for the Estate (£21948 in 2023-24) and should have been subject to competitive tendering.</p> <p>2. From recent evidence with an RTM block, when equivalent buildings' insurance was selected on a competitive basis, the cost was £1193 (for 2024-25), whereas (for 2023-24) through Albanwise the insurance costs were £2656. This was only 44.9% of Albanwise cost.</p>	<p>1. Reduce all the insurance costs in the Service Charges to 45% of the currently included costs:-</p> <ul style="list-style-type: none"> - 2022-23: demanded £18945 goes to 45% = £8525 - 2023-24: demanded £21861 goes to 45% = £9837 	<p>1. Albanwise Insurance Services Ltd (formerly General & Professional Insurance Brokers Ltd t/a Cox Braithwaite) is the in-house insurance broker used by the Respondent.</p> <p>2. The purchase of an insurance policy does not trigger a s20 consultation.</p> <p>3. The terms on which the Applicants' policy has been purchased are unknown and as such, the policies cannot be compared.</p>	No solution is required. The costs were reasonably incurred and are reasonable.	<p>1. No evidence has been provided to demonstrate that the buildings' insurance costs were subject to market testing.</p> <p>2. In one of the insurance invoices supplied by Albanwise, it specifically states that "0 alternative quotes" were sought and that a 20% commission (to the benefit of Albanwise by £3766) was to be paid by Zurich. This is not in line with RICS Code 10.2:- "You (the agent) should ... have some process for market testing and ensuring value for money."</p> <p>3. The latest Albanwise quote includes 39 to 49 Wyncote Court: they are now RTM and do not require insuring via Albanwise.</p> <p>4. Equivalent (or as close to equivalent as is practical) buildings' insurance was obtained for only 45% of the cost via Albanwise.</p> <p>5. Therefore these costs cannot be said to be "reasonably incurred" and the excess costs of £10420 (22-23) and £12024 (23-24) be deducted from the service charges.</p> <p>6. It is unjust for expenditure by the Leaseholders (in paying for the insurance) should result in a commission for the Freeholder. This commission should be deducted from the insurance costs of the Leaseholders as it was "not reasonably incurred".</p>	
209 Emergency Cover	<p>1. Premier imposed charges for "Emergency Out of Hours Provision": it its 50 year history this has never been necessary. The charges were, in 2022-23, £1010 and in 2023-24, £2448.</p> <p>2. With the possible exception of 6 storey Dene Court that has a lift, there is clearly no need for this emergency provision.</p>	<p>1. Remove the costs of the:-</p> <ul style="list-style-type: none"> - 2022-23 charge of £1010 and - 2023-24 charge of £2448. <p>2. Not charge these costs in future, possibly with the exception of Dene Court.</p>	<p>1. The Respondent is to undertake the proper management of the estate, which in its opinion includes the provision of out-of-hours services. Such services provide peace of mind should an emergency (e.g. fire, large flood, electrical fault, vehicle crashing into the Estate) occur out-of-hours.</p>	No solution required.	<p>1. The RICS Code requires "You should be able to justify the reasonableness of expenditure..." The reasonableness of this expenditure has not been demonstrated.</p> <p>2. If demonstrated to be of practical value, for example by useful interventions when called upon, it could be reasonable. No evidence has been presented to demonstrate the usefulness of this "Emergency Provision".</p> <p>3. Therefore these costs are "not reasonably incurred" and should be deleted for the service charges: £1010 from 22-23 and £2448 from 23-24.</p>	

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301-305	"Not of Reasonable Standard"					
301 Gate Repair Failures	<p>1. Attempts were made to completely renew the bottom wooden pedestrian door/gate to Newton Road, despite the door/gate being fully functional and secure.</p> <p>After a litany of mistakes and failures by Premier's contractors, the door/gate has been left weaker than it was originally and with the wrong keys, all at a cost of £1648 to the Service Charges.</p> <p>With little effort any competent DIYer could have repaired or reinforced the gate for less than £20 without requiring new keys for every Leaseholder.</p> <p>This work was not of reasonable standard nor was the cost reasonably incurred.</p>	<p>1. Remove £1648 from the Service Charges.</p>	<p>1. The gate has been repaired to a reasonable standard. The contractor made good, at no further costs, errors made in the original repair of the gate.</p> <p>2. WEL11 shows the state of repair of the gate as at 28/01/2025. The gate is currently working as it should.</p>	No solution required.	<p>1. The lower (near 34JPC) gate is working as it should but is now of a very weak construction. Before these works this gate was also working as it should.</p> <p>But £1648 has been added to the service charges to gain absolutely nothing in terms of functionality.</p> <p>2. This gate now functions with a different key to the other gate: not desirable.</p> <p>3. This has been very poor and unnecessary work with a catalogue of practical and management errors. The work is "not of reasonable standard" and £1648 should be deleted from the service charges.</p>	
302 Roadway Resurfacing Failure	<p>1. FRS coated some areas of the Estate roads with "tar & chip" during the last week of November 2023.</p> <p>The day for spraying the hot tar on to the roadways and sprinkling on stone chippings (before the hot tar solidifies) was 27/11/2023: it was a snowy day with freezing temperatures.</p> <p>On that day it was obvious that almost all the stone chippings were not bonded to the roadway as intended: most were completely loose and rapidly moved to form ridges, block drains and generate a skidding hazard.</p> <p>2. The costs of redoing the failed work resurfacing is considerably more than the original costs of £8138 because the roadways now need to have all the loose stone chippings removed first. The likely cost is therefore over £10000 to rectify the resurfacing.</p> <p>3. Premier have also put in the Service Charges a cost of £1600 for managing this work: Appendix 18. YE24 Accruals. The management was greatly lacking and if effective would have produced a very different outcome: FRS refused to honour their advertised 10 year guarantee and Premier took no action.</p>	<p>1. Remove £8138 from the Service Charges.</p> <p>2. Remove the £1600 for management of this work.</p>	<p>1. The roads were not tarmaced because tar and chip provided a quicker, cost-effective method of resurfacing the roads which was appropriate having regard to the size and nature of the Estate.</p> <p>2. It is not agreed that the works undertaken were not of a reasonable standard. Pictures of the works taken on 28/01/2025 are shown at WEL12.</p> <p>3. It is accepted that the contractor did not cut around and reseal the potholes.</p> <p>4. Premier arranged for multiple quotes, liaised with contractors and met with FRS on site to discuss the works. It is considered that Premier undertook management responsibilities in excess of its normal functions.</p>	<p>It is accepted that a credit of £600 should be applied to the Service Charge accounts as the contractor did not cut around and reseal the potholes although this appears in the invoice exhibited at App 36.</p>	<p>1. It is clear that the vast majority of the stone chippings were never bonded by tar to the roadway as intended: the tar was too cold.</p> <p>The large quantity of loose chippings migrated to gutters, drains and caused skidding hazards.</p> <p>The adequately bonded chippings of the footpaths are in stark contrast to the loose chippings of the roadways.</p> <p>2. The roadway coating clearly failed: it is not as intended by the contractor or by Premier.</p> <p>This work was "not of reasonable standard".</p> <p>3. To clear up and re-do this work may cost more than the original cost. Therefore, at least the original cost of £8138 should be deleted from the service charges.</p>	

Item Number & Document Section	Applicants' Reason for Dispute	Applicants' Acceptable Solution or Cost	Respondent's Comments	Respondent's Solution or Cost	Applicants' Reply	Tribunal's Notes
303 Roadside Footpath Repairs Defective	<p>1. The Estate's (50mm thick) paving slab footpaths adjacent to the busiest roadways suffered many broken and displaced slabs, because they were frequently over-run by delivery vans, etc.</p> <p>FRS coated these pathways (foot paths) with "tar & chip". This coating has negligible vertical shear strength and, according to the industry standard (CD239), is not a suitable construction for this type of path. This was explained to the Estate Manager and, with her permission, an alternative quote for work that did meet the requirements was provided: this was not used.</p> <p>These footpaths continue to distort because the coating was ineffective. This work was either unnecessary (see Section 203 "not reasonably incurred") or not of reasonable standard or both.</p> <p>2. The cost of redoing the footpath properly (to CD239) is now increased due to the "tar & chip" coating and probably closer to the CD239 compliant quote of £6040.</p> <p>The FRS cost to Premier for the footpath work was £6035.</p>	1. Remove the costs of all the "tar & chip" footpath work (£6035) from the service charges.	<p>1. The purpose of the tar and chip coating was to resolve the tripping hazards, not to improve the Estate.</p> <p>2. The covering of the drains has not affected their function: they can still be accessed by a contractor with the correct tools.</p> <p>3. It is acknowledged that there is an area near 1 WC where tar has been spread too thickly however this is not an area where someone usually walks.</p> <p>4. An overspread of chips does not necessarily mean that the works undertaken was not of a reasonable standard - the nature of the surface means that a lot of stones are subsequently removed.</p>	The following reductions are agreed:	<p>1. £500 for the cosmetic effect on the overspill of the surface onto the drains.</p> <p>2. £850 for the higher levels of tar left in some areas.</p> <p>1. This run-over pathway, was coated with tar & chip in the full knowledge of the Agents that this solution was not recommended for this duty of footpath... for good engineering reasons: it does not comply with the recognised British Standard Code for this work.</p> <p>2. It is not reasonable to charge the costs for work that cannot properly deal with the problems it was intended to. This work was "not of reasonable standard" and its cost (the remaining 19.7% of £6035 = £1189 be deleted from the service charges.</p>	
304 Footpath Repairs Defective	<p>1. Wherever "tar & chip" coating was applied to the footpaths three problems occurred:-</p> <ul style="list-style-type: none"> - Poor control of tar spraying areas has left many small manholes / access covers stuck shut. - Poor control of tar spraying quantity has left many "hillocks" of tar and chips, typically between 15mm and 37mm high. These are hard to see and tripping hazards. - Poor control of distribution of stone chips means that large quantities migrated on to the lawns: these are then picked up by mowers/strimmers and thrown at the houses/flats and the windows, causing other safety problems. 	1. Remove the costs of all the "tar & chip" footpath work (£6035) from the service charges.	See 303 above.	See 303 above.	<p>This section (304) is about the rest of the pathways coated with tar & chip, in total 248m² of the 309m².</p> <p>1. The tar & chip coating of these paths led to many problems because of poor control of the tar spraying and stone chipping distribution.</p> <p>2. The work was very poorly controlled and was "not of reasonable standard". Lumps /bumps/ridges built up (many in normal walking areas), manholes covered, stones migrated to the lawns and thence became safety hazards when mowing / strimming.</p> <p>3. Remove the cost of this work (£6035) from the service charges.</p> <p>(Also in 203 as work and costs were "not reasonably incurred".)</p>	
305 Failed Roof Repairs	<p>1. Roofing contractors were called out by Premier to repair the many leaking roofs but in many cases such poor work was done that the leaks continued.</p> <p>2. Three documented instances where the roofs concerned leaked soon after the attempted repair: clearly the work was not of reasonable standard.</p> <p>The total cost of these is £4662.72</p>	1. Remove the costs of all the failed roof repairs (£4662.73) from the service charges.	<p>1. The poor condition of the roofs (due to the age of the Estate) meant it could not be guaranteed that the repairs would remedy the leaks: indeed, it was not always possible to ascertain which hole was causing the leak.</p> <p>2. The roofs of Dene Court and 4-6 Jesmond Court have since been replaced.</p> <p>3. The costs of poor workmanship on the repairs to 4-6 Jesmond Park Court did not form part of the Service Charge.</p>	No solution necessary.	<p>1. If proper management control had been in place, payment of the roofing companies would have depended on their solving the roof leaks. Evidently this did not happen.</p> <p>2. After each of the three repair attempts that are the subject of this section, the roofs leaked again: the work done was ineffective. None of the cited incidents refer to 4-6 JPC.</p> <p>3. This work was evidently "not of reasonable standard". £4663 should be deducted for the service charges.</p>	